UNITED STATES DISTRICT COURT DISTRICT OF MASSACHUSETTS

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Plaintiffs

Civil Action No. 04-10160-EFH

NSTAR ELECTRIC AND GAS CORPORATION and COMMONWEALTH GAS COMPANY,

v.

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COMMONWEALTH OF MASSACHUSETTS NORFOLK, ss

AFFIDAVIT OF BERNARD PELOQUIN

- I, Bernard Peloquin, swear and affirm as follows:
- 1. I am employed by NSTAR Electric and Gas Corporation as Director of Total Compensation ("NSTAR"). I have held this position since 2000. In this capacity I am responsible for administering employee benefit programs as they pertain to NSTAR employees and retirees. In 1982 I first became employed by COM/Energy Services Company, a subsidiary of Commonwealth Energy System ("COM/Energy"). I served as the Manager of Employee Benefits of COM/Energy Services Company between 1993 and 1999.
- 2. Effective January 1, 1993, COM/Energy established "the Commonwealth Energy System and Subsidiary Companies Post Retirement Benefit Program" (the "Program") for "Group I" and "Group II". The Program was created "for the purpose of establishing a voluntary employees' beneficiary association under Section 501(c)(9) of the Internal Revenue Code to provide eligible employees and their dependents and designated beneficiaries with certain life, accident, medical and dental benefits and such other benefits as the Plan Administrator, on behalf

of the Company, may from time to time determine to provide under the Program." (See Exh. A hereto). Group I and II referred to programs for union and management employees.

- 3. The Program, as amended, provided reimbursement of Medicare Part B premiums to certain participants, through April 1, 2003. Such reimbursements were funded by the Program through its 501(c)(9) Trust.
- 4. Pursuant to Article VIII, Section 8.02 of the Program, benefits provided under the Program were not vested and NSTAR in its sole descretion, has the right to amend, modify or terminate any benefits provided under the program. (See Exh. A hereto).

Signed under the pains and penalties of perjury this 5th day of April, 2005.

Bernard Peloquin

Bernard Peloquin